Comments on filing by AT&T Services Inc

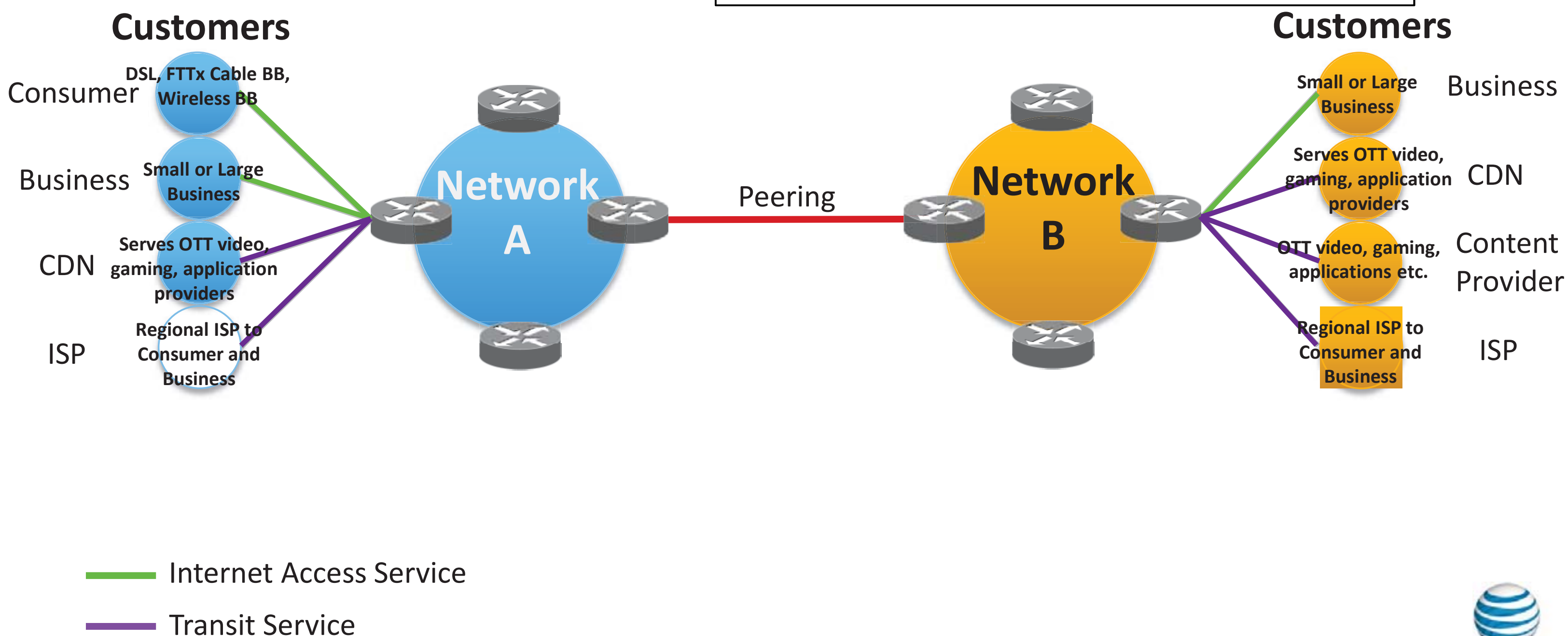
Original comment filed 7/17/2014 by AT&T Services Inc.

Diagram by AT&T Services Inc, page 7

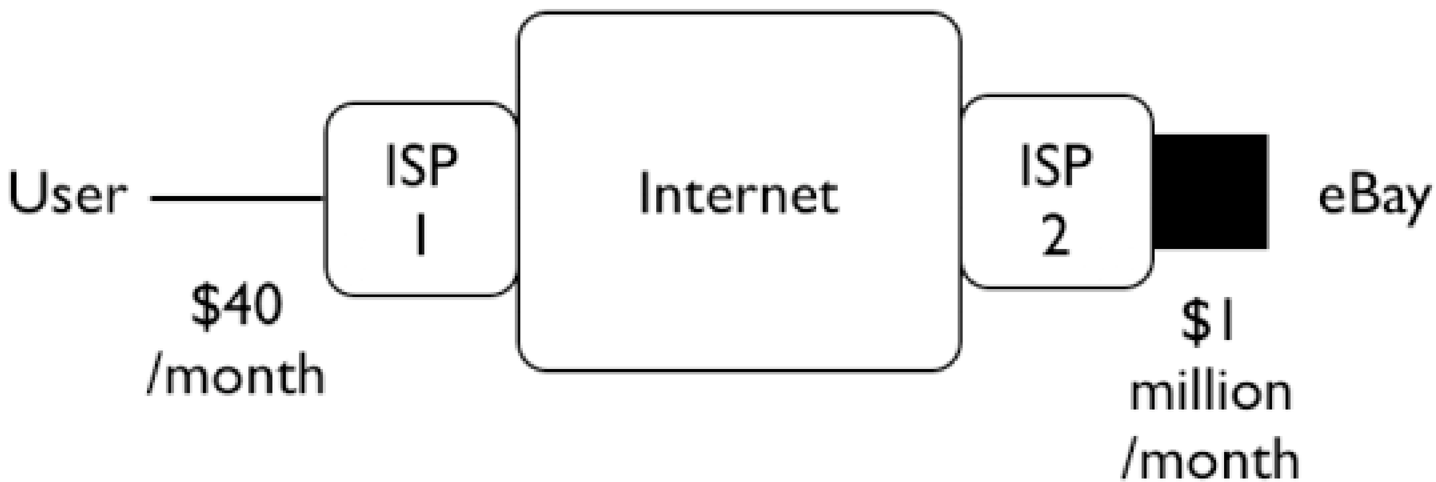
Internet Interconnection: Peering

Peering is an arrangement where two networks voluntarily interconnect to exchange traffic between their customers.

Peering solves the terminating monopoly issue of the original telephony network by utilizing “Bill and Keep”



Bill & Keep

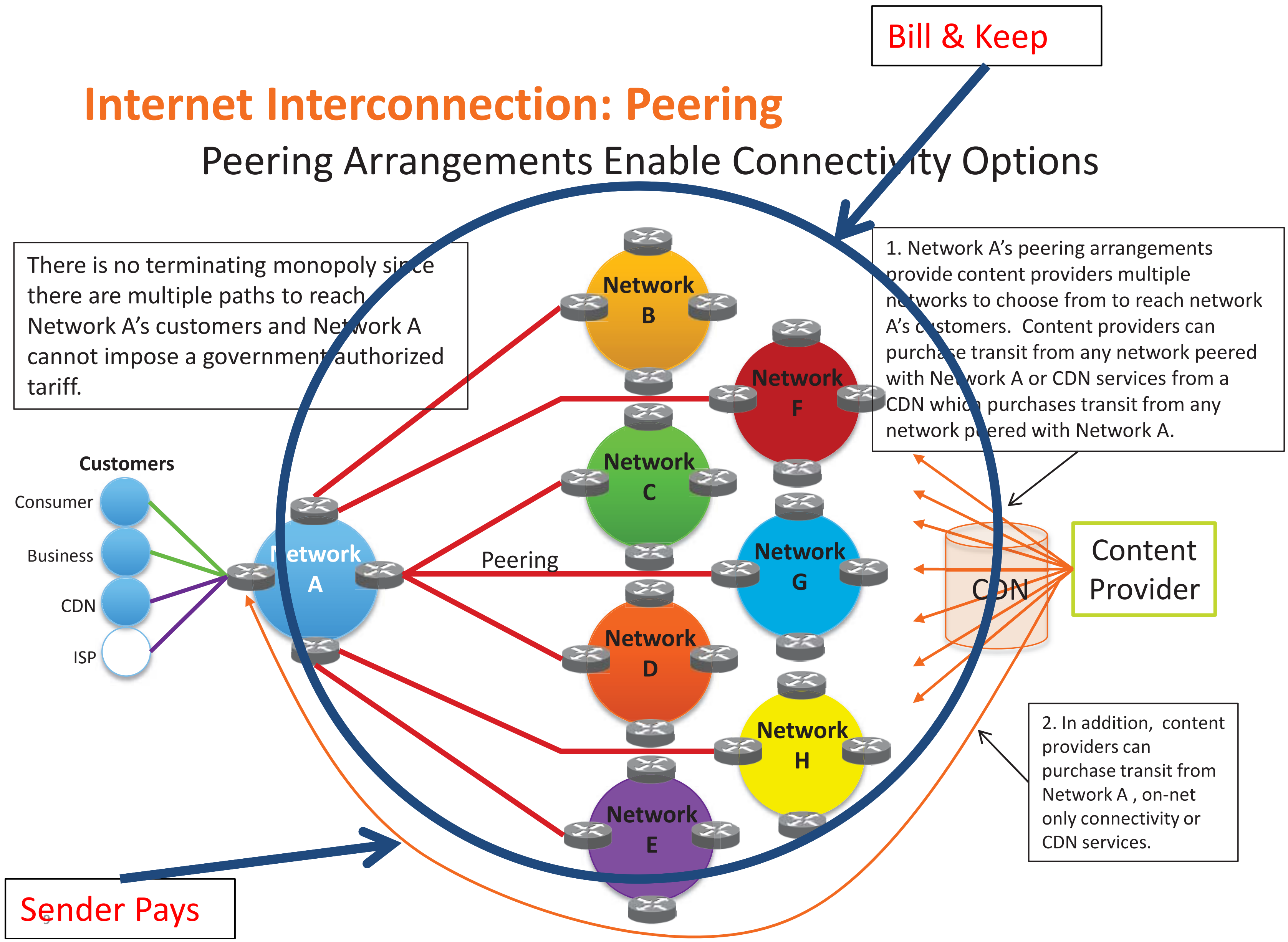


See Patrick DeGraba:
Bill and Keep and the Central Office, OPP Working Paper No. 33 (2000);
Jay Atkinson & Christopher Barnekov, A Competitively Neutral Approach to Network Interconnection, OPP Working Paper No. 34 (2000)

Diagram: Tim Wu

Internet Interconnection: Peering

Peering Arrangements Enable Connectivity Options



Network providers are attempting to introduce multiple billing

- Combining Bill & Keep and Sender Pays schemes combine two different billing mechanisms for the same service
- By AT&T's own admission, they utilize the On-Net service to charge CDNs or other networks for access to their customers

On-net Only

On-net Only connectivity is an optional service whereby a network provides access to only its customers.

- Offered by networks of various sizes and scope
- Commercially negotiated
- Market-based rates
  - Various pricing models
- More interconnection location options than peering
- Purchasers include content-heavy entities:
  - Content Delivery Networks
  - Content providers

Despite AT&T's arguments, Network A still maintains a terminating monopoly on its last mile customers.

Internet Interconnection: Putting It All Together

The global Internet is comprised of a variety of interconnection options.